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27 JUL 1984

MEMORANDUM FOR: (See Distribution List)

FROM:

Chief, Strategic Resources Division
Office of Global Issues

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SUBJECT: Soviet Grain Crop Prospects

1. The attached memorandum is the fourth in a series of assessments analyzing crop conditions in the Soviet Union. Additional memoranda will be issued periodically during the remainder of the season, especially if crop prospects change markedly.

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2. This assessment was prepared by [redacted]
[redacted] Agricultural Assessments Branch,
Strategic Resources Division, Office of Global Issues.

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3. Comments and questions are welcome and may be addressed to the Chief, Agricultural Assessments Branch,

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Attachment:

USSR: Below-Average Grain Harvest Likely
GI M 84-10132, July 1984

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GIM 84-10132

SUBJECT: Soviet Grain Crop Prospects

OGI/SRD/AAB/

(July 1984)

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MEMORANDUM

USSR: Below-Average Grain Harvest Likely

Following relatively favorable growing conditions during the month of June, grain crop prospects in the Soviet Union have taken another turn for the worse. Since early July, potential yields have been cut in Kazakhstan by hot, dry, winds and in the western Ukraine and Belorussia by prolonged, excessive rainfall. We believe that this damage, combined with the earlier drought-related problems in the Volga Valley, and the fact that the area sown to grain is one of the smallest in a decade, outweigh the generally good-to-excellent outlook elsewhere. As a result, even with normal weather for the rest of the season, total Soviet grain production is likely to be only about 190 million tons, 5 million less than last year's estimated output, and well below the 1976-80 average of 205 million tons.

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Regional Crop and Weather Conditions as of Late July

Kazakhstan. Despite a good start, it now appears certain that Kazakhstan--which annually produces about 13 percent of the Soviet grain crop--is headed for a below-average¹ harvest this year. Meteorological data show that about half of the grain crop in the republic was hit with sukhovey conditions (hot, dry winds) from 9 to 12 July. Soviet weather stations reported temperatures as high as 107 degrees Fahrenheit and winds of 10 to 15 knots. Because the sukhovey occurred during the critical flowering period,² as much as 3 million tons of grain may have been lost. Moreover, additional losses are likely unless soil moisture reserves--greatly depleted by a combination of the sukhovey and below-normal rainfall since mid-June--are replenished soon. Based on our analysis of meteorological data, milder temperatures and scattered showers should bring some relief over the next few days.

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Ukraine, Belorussia, and Moldavia. Prospects for above-average grain production in these regions are being threatened by prolonged, excessive rainfall, particularly in the western Ukraine, southern Belorussia, and all of Moldavia. Indeed,

Soviet farmers had to resort to hand harvesting because most

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¹ Unless stated otherwise, the term "average" refers to the average for the 1976-80 period.

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² Flowering is the stage of crop development when maximum potential yields are determined.

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fields were too wet for mechanical combining. Although we believe damage thus far has been minimal, sizable losses in both grain quantity and quality are in prospect if the fields do not dry out in the next week or two. Given current weather patterns, however, little improvement is forecast for at least several days. At risk is about 15 million tons of grain--nearly one-third of the combined output of these three republics.

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Outside the wet areas, the outlook remains good to excellent. According to Soviet press reporting on the Ukraine, harvesting in the republic as a whole was progressing well as of mid-July, preliminary yields in the Crimea were much better than a year ago, and the quality of the grain harvested thus far is unusually high. In central and northern Belorussia, good crop stands were observed on recent satellite imagery. Moreover, no major weather problems are now anticipated for the upcoming harvest campaign.

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Volga Vyatka and Urals Regions. The overall crop outlook here has brightened somewhat since the beginning of the month, but even so, grain production probably will be no better than average. Recently available LANDSAT imagery of the northern parts of these regions shows a marked improvement in crop vigor from early to late June, and above-normal rainfall in July has maintained soil moisture reserves. By comparison, we judge that crops in the southern oblasts, namely Orenburg, Mordov, Chuvash, and Gorkiy, never recovered from damage sustained during the May drought. This assessment is based largely on satellite imagery taken this month which shows that grainfields are still under moderate to severe moisture stress.

In the rest of the grain belt, we believe that the situation is basically unchanged from a month ago:

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- Analysis of post-harvest straw residue on satellite imagery of the Lower Volga Valley corroborates previous evidence that the harvest there would be a disaster. Yields may even set record lows in some areas.
- In Krasnodar Kray, preliminary yield data reported in the Soviet press confirm our estimate of a good-to-excellent harvest. The press reports also indicate that grain quality in the entire North Caucasus is exceptionally high.
- The continuation of mostly favorable weather during July in the Baltics, Central, and Northwest Regions augurs well for a bumper crop there.
- Siberia continues to be headed for a good harvest largely as a result of above-normal rainfall this month. In addition, satellite imagery shows that crop growth is generally uniform and vigorous--often an indicator of high grain yields.

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Outlook for the 1984 Grain Crop

With normal weather for the rest of the year, we believe that Moscow will harvest a grain crop of only some 190 million tons, 50 million tons below plan. Because there are about three months remaining in the season, however, there is still some uncertainty--mainly on the downside--surrounding this estimate. For example, the harvest front is just now moving into the excessively wet areas of the western European USSR. As a result, it will be at least a week or two before we can determine the extent, if any, of abnormal harvest losses. The situation in Kazakhstan is tenuous as well because crops there remain vulnerable to another bout of hot, dry weather. Should this occur in August, when the plants are ripening, grain kernels would shrivel, thereby reducing potential yields even more. [redacted]

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On the other hand, several factors could have a positive impact on the outcome of the harvest. The Soviet mid-year plan fulfillment results show that deliveries of fertilizer to farms were up slightly over last year. Because Siberia and parts of the northern European USSR have received adequate rainfall thus far, grain yields in those areas could exceed the bumper levels already incorporated into our estimate. In addition, we estimate that the amount of grain growing on land that was previously fallow is somewhat larger than in recent years. Although fallowing sacrifices production in the year in which the land is idled, it usually results in higher, more stable output in subsequent years as long as the fallowed hectarage is maintained in the crop rotation schedule. [redacted]

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Table 1
USSR: Grain Production^a
(Million Tons)

	<u>Actual</u> 1976-80 Average	<u>Estimated</u> ^b			
		1981	1982	1983	1984
Total	205.0	158.0	180.0	195.0	190.0
By Republic					
RSFSR	113.9	78.0	99.5	112.0	101.0
Ukraine	43.1	38.2	42.0	39.0	44.0
Kazakhstan	27.5	23.8	19.5	25.0	25.5
Other	20.5	18.0	19.0	19.0	19.5

^a Measured in bunker weight, that is, gross output from the combine, which includes excess moisture, unripe and damaged kernels, weed seeds, and other trash. For comparison with United States or other countries' grain output, an average discount of 11 percent should be applied.

^b The USSR has not published overall grain production or yield statistics since 1980. Total grain production in 1981 was unofficially reported at 158 million tons.

[redacted] All other figures represent our estimates.

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Damaged Soviet Crops, 9-12 July 1984

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